FDI limit in SSI

*439. SHRIMATI SHOBHANA BHARTIA: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether Government propose an increase in FDI limit in SSI, including labour-intensive sectors such as auto components and textiles from 49 per cent at present to 74 per cent;

(b) if so, whether FDI flood-gate would be proposed in case of items that would continue to be reserved for the SSIs;

(c) if so, whether any final decision in this regard has been taken; and

(d) if so, the details thereof and by what time a final decision is likely to be taken?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHAVIR PRASAD): (a) and (b) According to the existing policy, an entity, domestic or foreign, without any subsisting industrial interest can invest upto 100% in the equity of a small scale industry (SSI) engaged in the manufacture of products such as auto components and textiles (where 100% FDI is allowed in the non-SSI sector). However, to prevent mushrooming of small-scale industries owned or controlled by larger entities, the policy also prescribes a ceiling of 24% in equity participation by an entity, whether domestic or foreign, in case it alreadey has an industrial interest. If the equity investment by such an entity exceeds 24% of that of second SSI unit, the resultant entity ceases to be an SSI unit. This policy also applies to the SSI units manufacturing reserved items.

(c) and (d) Keeping in view the provisions of the Micro, Small and Medium Enterprises Development Act, 2006, it is not possible at this stage to indicate a time frame for decision on the issue of permitting entities with interest in other enterprises to make foreign or domestic investment in the equity of micro and small enterprises, beyond the existing ceiling of 24%.

India-Israel bilateral agreement relating to agricultural research

*440. SHRI S.S. AHLUWALIA: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that several India-Israel bilateral agreements

relating to agricultural reasearch have been signed and are contemplated to be signed;

(b) if so, the salient details thereof, separately about agreements entered into, if any, by State Government with Israel relating to research into any State-specific subject;

(c) whether is a fact that 'desert-farming' technology, evolved by Israel, have been sought after by many States; and

(d) if so, the details thereof, indicating the status of collaboration sought by respective State Governments?

THE MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR): (a) and (b) The following agreements have been signed between the Governments of India and Israel in the field of agriculture.

i. An agreement between Government of Republic of India and Government of State of Israel for cooperation in the field of agriculture was signed on December 24, 1993. The agreement, *inter alia*, seeks to promote cooperation in agriculture science and technology including research, education, extension and training, development projects and joint ventures between companies or institutions of the two countries through collaborative activities and exchanges in the field of water and soil management, arid and semi-arid crop production, fruits and vegetable production, post harvest and processing technologies, plant and animal sciences and agri-business.

ii. Under the above agreement, a Work Plan has also been signed between Government of India and the Government of Israel on 10th May, 2006 for cooperation in the field of agriculture for the years 2006-08. The Work Plan, *inter alia*, provides for collaboration in research in fertigation and soil-less culture for growing high value horticulture crops, development of techniques and facilities in energy efficient green house structures for semi-arid tropical climates, studies in recycling of waste water for irrigation, input delivery and extension service system, post harvest management and value addition for fruits, vegetables and dairy products and dairy development through genetic improvement.

iii. India and Israel also entered into an Executive Agreement on 17th October, 1997 for the implementation of Indo-Israel

Project for setting up a Demonstration Farm at IARI. The Project has since been completed.

(c) and (d) A number of states, Indian companies and farmers have indicated interest in desert farming technology evolved by Israel. The states that have expressed interest include Maharashtra, Rajasthan, Gujarat, Nagaland, Karnataka, Orissa, Haryana and Andhra Pradesh.

So far only Government of Nagaland has proposed collaboration with companies in Israel for training of agricultural graduates for intensive internship course and for field cultivation with water harvesting management for irrigation specially during the dry season and for protected cultivation for year round cultivation of vegetables.

Government of Gujarat has proposed inclusion of some State Universities in the Work Plan to enable them to have collaborative arrangements with Israeli counterpart institutions.

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Assistance to A.P.

3034. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government have sent a detailed communication to the Government of Andhra Pradesh listing out the developmental and welfare activities to be taken up to prevent suicides;

(b) if so, the details thereof;

(c) whether Government have also announced Rs.15,000 crores special package for farmers in Andhra Pradesh;

(d) if so, the details thereof;

(e) whether Government have released any amount, so far; and

(f) if so, the details thereof and how the amount would be utilized by the State Government?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) and (b) The Government has decided to launch a special rehabilitation package for the identified districts in the four States of Maharashtra, Andhra Pradesh, Karnataka, and Kerala, The proposal was discussed with the concerned State Governments including of Andhra Pradesh on 10th April, 2006. The package in respect